

1 would have a form of oligopoly which would be toward
2 monopoly.

3 Q Ms. Kravtin, would you turn, please, to
4 page 59 of your testimony. Underneath the block
5 quote, you say:

6 "One of the key reasons for the particular
7 unsuitably of fair market value approach is the
8 asymmetric bargaining power possessed by the utility
9 as the monopoly owner of the poles as compared to the
10 cable company and other third-party attachers is less
11 eased."

12 Did I read that accurately?

13 A Yes, you did.

14 Q It is your testimony in this case that the
15 -- that Gulf Power has unequal bargaining power over
16 the cable operators?

17 A Yes, absolutely. I think that -- and
18 their behavior with regard to their joint use
19 agreements and the various rate proposals that they
20 have put forward here.

21 Q You are aware, Ms. Kravtin, that in most
22 instances if there is room on a Gulf Power pole, Gulf

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

(202) 234-4433

www.nealrgross.com

1 Power has to allow the cable operator on that pole;
2 correct?

3 A You are referring to the mandatory access
4 provision?

5 Q I am. Gulf Power, if there is room on the
6 pole, except under limited circumstances, they have to
7 allow the cable operator on the pole? Correct?

8 A Yes, I understand that. But I also
9 understand that there is, you know, a wide range of
10 discretion that Gulf is asserting that it has in terms
11 of its ability or requirement to perform make-ready.

12 Q And I wasn't talking about make-ready, but
13 you -- I think you see where I'm going, and we'll get
14 there. But --

15 A Well, I think you can address one without
16 really talking about the other.

17 Q Well, I'm going to, and so I'll ask that
18 you listen to the questions that I ask you. If there
19 is room on a Gulf Power pole -- I'm not talking about
20 whether make-ready can be formed, but if there is
21 existing room on a Gulf Power pole, you understand
22 that Gulf Power has to allow the cable company to get

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

(202) 234-4433

www.nealrgross.com

1 on?

2 A Yes, I understand that to be the law.

3 JUDGE SIPPEL: Your question is that if
4 you have a pole that has space that you can install or
5 attach a cable, without doing anything of a make-ready
6 nature for it, that is the situation that you are
7 asking the question about?

8 MR. LANGLEY: Yes, Your Honor.

9 JUDGE SIPPEL: Thank you.

10 MR. LANGLEY: Okay.

11 BY MR. LANGLEY:

12 Q And, Ms. Kravtin, you understand that the
13 cable operator in that instance has several options;
14 they can either attach to the pole, they can go
15 underground, they can go satellite, invest in other
16 technology -- you understand that, don't you?

17 A We discussed this morning why although
18 those alternatives exist, I do not find them to be
19 close enough substitutes to affect Gulf Power's
20 ability to price in monopoly fashion or to exercise
21 its control over that asset.

22 Q Do you know what the difference in cost is

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 for a cable company to go underground versus overhead?

2 A I can't give you a specific number. I
3 believe it will vary situation to situation.

4 Q And you don't know that is an important
5 number to know to be able to testify that it's not a
6 close enough substitute?

7 A Well, I understand that the cost is
8 typically much higher. I have not done an analysis in
9 terms of a pole-by-pole basis as to what that would
10 be.

11 Q So you don't know, for example, in the
12 average mile of poles if the difference is 1,000 or
13 100,000?

14 A I do not know a specific number. But I do
15 know whatever number it is, it's not acting to
16 constrain Gulf Power's ability to try to extract a
17 monopoly, and we see that in the rate proposals as put
18 forward in this proceeding.

19 Q Are you familiar with the term monopsony?

20 A Yes, I am.

21 Q What is a monopsony?

22 A A monopsony is a situation where the

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

(202) 234-4433

www.nealrgross.com

1 buyers have significant control that they can exert
2 upon an owner.

3 Q And in this instance, since the cable
4 operators are the one with the options and Gulf is
5 not, wouldn't you say that the cable companies are
6 monopsonies?

7 A No, they are not.

8 Q Ms. Kravtin, I gather --

9 A We wouldn't even be here in this situation
10 if they had that kind of power because they are the
11 ones that are captive and at the mercy of the electric
12 company.

13 Q When you say they are captive and at the
14 mercy of the electric company, you are talking about
15 when it comes to getting on the poles?

16 A I am talking about when it's coming to an
17 issue of pricing of the poles and other terms and
18 conditions, perhaps including make-ready.

19 Q But they are not at the mercy of Gulf
20 Power when it comes to going underground.

21 A Well, that would not necessarily involve
22 Gulf Power, but in terms of their remaining captive in

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 terms of the use of the pole networks, then they are.

2 Q Do you believe that economic power has a
3 bearing on bargaining power?

4 A Can you define what you mean by economic
5 power?

6 Q Well, tell me what you would mean -- tell
7 me what you would -- how you would define economic
8 power.

9 A Well, I really -- it's not a term of art
10 that I have used.

11 Q Well, how about --

12 A I don't know if you mean market power or,
13 you know, financial resources or whatever you might be
14 referring to. Perhaps you tell me and then I can
15 respond.

16 Q Let's go with financial resources. Do you
17 think that the financial resources of one entity
18 versus another plays a part in the respective
19 bargaining power of those entities?

20 A It can, depending on the situation.
21 That's not the situation here with regard to pole
22 attachments.

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

(202) 234-4433

www.nealrgross.com

1 Q Do you have an understanding of the
2 relative financial resources of the cable operators on
3 the one hand and Gulf Power on the other hand?

4 A Not specifically, no.

5 Q You haven't done any research to determine
6 who has more money?

7 A No, nor have I determined that to be
8 relevant to the case since value to the taker is not
9 an issue to be demonstrative of whether there is a
10 lost opportunity or not. I believe the issue of their
11 financial resources would go to value, value to the
12 cable owners. Not the economic issues of full
13 capacity or lost opportunity.

14 Q Ms. Kravtin, would you turn to the next
15 page of your testimony, which is page 60. In the
16 first full paragraph beneath the block quote, you
17 discount the unregulated pole attachment agreements
18 that exist in northwest Florida; correct?

19 A I'm sorry, were you looking under where I
20 cite to the commission's finding about there being no
21 nonmonopoly market in pole attachments?

22 Q That's exactly where I was looking, but

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

(202) 234-4433

www.nealrgross.com

1 that was a good shot.

2 A The paragraph -- no, I'm really trying to
3 find my place. Could you give me a line?

4 Q Line 15.

5 A Now if I could ask you to repeat your
6 question, please.

7 Q Since you raised the commission's finding,
8 do you know when that was made?

9 A Well, it's been made repeatedly. By the
10 commission, this is referring on the preceding page to
11 the commission's Alabama Power decision which was in
12 2001.

13 Q Do you recognize that finding was made on
14 a factual record different from the one that we have
15 here?

16 A Well, it's my understanding that certain
17 aspects of the factual finding are the same in terms
18 of the replacement cost methodology that Gulf has
19 advanced.

20 Q I was really just asking if you understood
21 that it was a different -- I wasn't asking you to
22 identify the differences, just that it was a different

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 factual --

2 A Well, I answer sincerely that in some
3 aspects it was different because it would have
4 preceded the legal finding of the Eleventh Circuit
5 Court, but in many aspects it was the same factual
6 record of the replacement cost methodology that Gulf
7 has advanced in this case.

8 Q Do you know who testified in the Alabama
9 Power FCC case?

10 A No, I do not.

11 Q Do you know if anyone testified?

12 A I can't answer specifically. I was not
13 involved in that case. I do know it was a litigated
14 case, so I'm presuming there were witnesses. I
15 believe some of the same -- scratch that. I don't
16 want to conjecture.

17 Q You just don't know what the record looked
18 like in that case?

19 A I do know what the record generally looked
20 like because I have read that decision. I just didn't
21 read it as to remember specific witnesses.

22 Q Let's move to the paragraph beneath that.

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 Is it a fair characterization that you reject the
2 unregulated pole attachment agreements as evidence of
3 fair market value?

4 A Yes, that's correct.

5 Q And as evidence of lost opportunity?

6 A That is correct.

7 Q And your reasoning for that is because it
8 is still Gulf Power or whoever owns the poles
9 exercising its monopoly power?

10 A That's one of many reasons.

11 Q Do you know with whom Gulf Power has
12 attachment agreements other than the complainants in
13 this case?

14 A I'm generally familiar. I have seen those
15 charts that Gulf has put into the record in terms of
16 its other agreements.

17 Q And so you are aware that there are at
18 least three other attachers who pay Gulf Power a rate
19 in excess of \$40 per attachment per year?

20 A I can't remember the number. I think one
21 of those I thought was erroneously put down as
22 Knology. And I understand from the hearing yesterday

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 that Knology actually, even then it's a telecom
2 company, is paying the lower cable rate. So I don't
3 know whether that was one of your three or not. But
4 I thought that was actually very significant to learn,
5 that Gulf had accepted the lower cable rate for that
6 carrier. It obviously seemed to signal to me that
7 Gulf was -- thought that was a good economic
8 proposition for itself in entering into that agreement
9 with Knology.

10 I think of the other one or two, I think
11 they were a relatively -- if I recall, relatively
12 small number of poles at issue with that higher rate.
13 But as it was, I do not believe those represent a fair
14 market proxy because of the conditions that those
15 entities operate in negotiating with Gulf.

16 Q So whoever it was and for however many
17 poles, it just doesn't matter to you?

18 MR. SEIVER: Objection; that's not what
19 she said.

20 JUDGE SIPPEL: I'll sustain that
21 objection.

22 BY MR. LANGLEY:

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 Q Ms. Kravtin, do you know the entities --
2 who the entities are that pay Gulf Power in excess of
3 \$40 a year per attachment?

4 A Again, I saw that exhibit, I looked at it,
5 and the names don't come to me at this moment.

6 Q Does it refresh your recollection that it
7 was KMC, Adelphia, and Southern Light?

8 A Yes, I believe so. And I remember seeing
9 some other literature about Adelphia, saying that its
10 signature to that didn't involve its actual
11 willingness to -- or a belief that was a reasonable
12 rate.

13 Q You're talking about a document that you
14 saw during a prep session today?

15 A No, I believe it was a document
16 referencing in one of the pleadings that I read.

17 Q You're talking about an exhibit that the
18 complainants have marked?

19 A I don't know if I'm referring to the
20 exhibit or the reference to that document.

21 Q Was this something that counsel for
22 complainants showed you?

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 A Not specifically. It's something that I
2 read.

3 Q And you think it was an Adelphia letter?

4 A Again, this is to the best of my
5 recollection, but I don't know if it was a letter. It
6 was some correspondence.

7 Q Well, was the Adelphia letter important to
8 you in discounting the agreement with Adelphia?

9 A No, I would not say that it was important.
10 I think I reached my conclusions as described in my
11 testimony based on other conditions, that I did not
12 believe that the market for pole space could be
13 considered a free market --

14 Q Well, you --

15 A And I did not believe there to be equal
16 bargaining power between the owner of poles and these
17 other entities.

18 Q Well, what was the purpose for which you
19 just raised the Adelphia letter?

20 A Does it refresh my memory when -- you said
21 would it refresh your memory if I said it was Adelphia
22 and the other two you mentioned. I said, oh, yes.

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

(202) 234-4433

www.nealrgross.com

1 And I believe, with respect to Adelphia, that I had
2 seen this other document or reference to this other
3 document. So that helped refresh my memory that
4 Adelphia may in fact have been one of the other
5 companies that purportedly was paying a higher rate.

6 Q And you believe that whatever letter it is
7 that you saw indicated that that company felt that
8 they were being held up?

9 MR. SEIVER: Objection as to form.

10 JUDGE SIPPEL: I'll sustain that
11 objection.

12 BY MR. LANGLEY:

13 Q Ms. Kravtin, can you see what is on the
14 screen?

15 A Yes, I can.

16 Q I'm showing you what has been marked by
17 complainants as Exhibit 77 in this case. Is this the
18 letter you were talking about?

19 A If you'll give me a moment to read it.

20 JUDGE SIPPEL: Let's go off the record
21 while you're reading it.

22 (Discussion off the record.)

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 JUDGE SIPPEL: We are back on the record.

2 BY MR. LANGLEY:

3 Q Ms. Kravtin, is this the letter that you
4 were referring to just a moment ago?

5 A Yes, I believe so.

6 Q And why is it that you felt this letter
7 was important enough to raise?

8 A I think I explained that in my previous
9 answer. It was really -- it just confirmed when you
10 said was Adelphia one of the ones, and then that
11 refreshed my memory, yeah, I think it was Adelphia
12 because I remember some mention of a letter where it
13 was indicated that they did not feel there was an
14 arm's length transaction between Adelphia and Gulf
15 Power.

16 Q Could you point us, please, to that
17 provision?

18 A I'm referring to the second paragraph
19 where it reads:

20 "It is clear, however, that ABS is not in
21 a position to engage in an arm's length negotiation.
22 Gulf Power is a pole owner and effectively holds all

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

(202) 234-4433

www.nealrgross.com

1 leverage through its ability to withhold authorization
2 to attach unless we consent to the terms and
3 conditions deemed acceptable by Gulf Power."

4 And I have left out some parentheses, but
5 I'm having trouble --

6 Q So what are they --

7 JUDGE SIPPEL: Wait a minute. You're
8 having trouble with what?

9 THE WITNESS: Well, just --

10 JUDGE SIPPEL: Let's put a hard copy in
11 front of the witness.

12 MR. LANGLEY: We can blow it up, Your
13 Honor.

14 JUDGE SIPPEL: Well, blow it up. Here you
15 are. Blow it up on the screen, or you can read from
16 the document.

17 THE WITNESS: I think I'll reread that
18 sentence.

19 "Gulf Power as pole owner effectively
20 holds all the leverage with the ability to withhold
21 authorization to attach and thereby prevent or delay
22 our ability to construct our network unless we consent

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

(202) 234-4433

www.nealrgross.com

1 to the terms and conditions deemed acceptable by Gulf
2 Power."

3 BY MR. LANGLEY:

4 Q Is there anywhere in that letter where
5 Adelphia takes issue with the rate they are being
6 charged?

7 JUDGE SIPPEL: Wait a minute. Have you
8 read the whole letter? I'm going to disallow that
9 question unless you are requiring her or requesting
10 her to read the entire letter.

11 MR. LANGLEY: Your Honor, I am.

12 BY MR. LANGLEY:

13 Q Ms. Kravtin, will you take a moment and
14 read that letter.

15 JUDGE SIPPEL: Let's go off the record.

16 (Discussion off the record.)

17 JUDGE SIPPEL: We're back on the record.

18 Mr. Langley.

19 THE WITNESS: I have now read this letter
20 as well as the other communications in what is marked
21 as Complainants' Exhibit 77. I would answer in this
22 way:

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 The paragraph -- in the letter that we are
2 discussing, I didn't see any particular reference to
3 rate. But the language that says "we are not in a
4 position to engage in an arm's length negotiation" and
5 that "Gulf Power as pole owner effectively holds all
6 the leverage," to me is exactly the indication of an
7 unequal bargaining power, an asymmetric bargaining
8 power, and the power that Gulf Power holds over the
9 complainants.

10 So I think that paragraph in and of itself
11 logically would apply to a negotiation over the rate.

12 But then additionally, when I look at the
13 additional communications, there is one memo that I
14 think follows up on that that specifically does
15 reference unauthorized attachment costs.

16 But again I think even within the letter
17 itself, I think that language is demonstrative of the
18 condition I explained earlier.

19 BY MR. LANGLEY:

20 Q Ms. Kravtin, you know what an unauthorized
21 attachment is, don't you?

22 A Yes.

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 Q It's an attachment that has been made to
2 a pole without a permit?

3 A Yes, that's correct.

4 Q And so when it says unauthorized
5 attachment costs, that has nothing to do with the
6 rate, does it?

7 MR. SEIVER: Your Honor, this is becoming
8 argumentative now.

9 JUDGE SIPPEL: Well, I'm going to overrule
10 the question. You can answer that question.

11 THE WITNESS: Yeah, it appears like I did
12 -- I didn't actually make the connection. It does say
13 unauthorized attachment costs. So I will stand by my
14 other answer that the paragraph that I cited, which
15 indicates they don't have arm's length negotiation and
16 that Gulf Power holds all the leverage, is exactly the
17 sort of language that I describe in my testimony as
18 representing a situation where there is an unequal
19 bargaining power and where the electric company does
20 have that control.

21 BY MR. LANGLEY:

22 Q Wouldn't you agree that the rate is a

1 pretty important term of the contract?

2 A Certainly it's an important term.

3 Q And if an attacher had an issue with the
4 rate, that would certainly be one that they raised?

5 A I think this language is generic enough to
6 encompass that.

7 Q Ms. Kravtin, if you would, look back at
8 that e-mail that you referenced earlier, which is the
9 last page of Exhibit 77.

10 A Yes.

11 Q And I want you to read the third sentence
12 from the first paragraph.

13 A I'm sorry, the third sentence?

14 Q Third sentence of the fourth paragraph.

15 JUDGE SIPPEL: What does it start with?

16 MR. LANGLEY: "Accordingly."

17 THE WITNESS: I'm sorry, there is no
18 fourth paragraph.

19 BY MR. LANGLEY:

20 Q I'm sorry, I said fourth and I meant
21 first. I apologize.

22 JUDGE SIPPEL: She's got it up on the

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 screen there for you.

2 THE WITNESS: The third sentence? The
3 third line?

4 BY MR. LANGLEY:

5 Q The third sentence, beginning with
6 "Accordingly."

7 A "Accordingly, I would reiterate my
8 comments with respect to the document, including but
9 not limited to those regarding indemnification,
10 unauthorized costs, modification of change of law, and
11 retroactive fee charges provisions."

12 Q There is no mention in there about the
13 rate being charged to Adelphia, is there?

14 A No, but it references generally terms and
15 conditions, and again what I was focusing on in my
16 answer to you, in my testimony, specifically has to do
17 with the unequal bargaining power, the absence of an
18 arm's length negotiation, and the fact that Gulf Power
19 holds all the leverage.

20 So this is really the part of this
21 dialogue that is relevant to my testimony.

22 Q Did you call anyone at Adelphia and ask

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 them, hey, what's the deal with this rate y'all are
2 paying?

3 MR. SEIVER: Objection, Your Honor. This
4 is now getting --

5 JUDGE SIPPEL: Sustained. Sustained.

6 BY MR. LANGLEY:

7 Q Ms. Kravtin, in your research as an
8 economist testifying here that Gulf Power is
9 essentially entitled to nothing more than marginal
10 costs, don't you think it's important to understand at
11 least what others are paying and why?

12 A First of all, I am not testifying here
13 that Gulf Power is entitled to nothing more than
14 marginal costs. They are receiving the FCC cable rate
15 formula. That rate formula, in combination with make-
16 ready, exceeds marginal costs. So that's point one.

17 And point two, I described in my testimony
18 the reasons why -- the fact that you can't look to
19 individual isolated situations on a relatively few
20 number of poles, whereby an industry may be under
21 compulsion for business reasons to take that rate.

22 It's very common throughout

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 telecommunications where in order to get going in
2 business, and the business owner needs to make a
3 decision, is it worth potential litigation and other
4 costs where they have seen the actions of Gulf Power
5 and other power companies? Is it worth that in
6 pursuing litigation over what we believe to be
7 unreasonable conditions. It's very common.

8 Q But you don't know how many attachments,
9 for example, Adelphia has, do you?

10 A Well, I saw the number. That number was
11 listed on that exhibit. If you want to provide me
12 with that exhibit, then we can look at those numbers.
13 That number seemed relatively low, relative to the
14 cable companies, the complainants in this case, and
15 certainly to Knology which -- Knology is paying the
16 cable rate.

17 Q And you don't know how many attachments
18 has either, do you?

19 A Again, I saw that information on that
20 attachment.

21 Q And as we sit here today, you don't know
22 how many attachments Southern Light has?

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

1 A Well, again, I can't tell you the number.
2 I reviewed that information on the sheet and made the
3 determinations that I just described.

4 Q The determination that the number was too
5 insignificant to consider?

6 A That the totality of those other
7 agreements that Gulf is purporting to be free market -
8 - one is a significant number, and beyond that, that
9 one could not look to those existing agreements as
10 evidence of a free market, that one had to look at the
11 actual economic conditions of demand and supply in
12 that market, which I believe I have addressed in my
13 testimony, and explained why I believe there is no
14 free market proposed base.

15 Q Ms. Kravtin, you are not a valuation
16 expert?

17 A I answered that for you at least three
18 times.

19 Q Well, will you answer it --

20 A My training is not in valuation, per se,
21 but I do have significant experience in the area of
22 telecommunications assets, and also the role of those

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701

(202) 234-4433

www.nealrgross.com

1 assets in terms of making valuations as to that.

2 Q Is it fair to say that you don't know how
3 many comparable sales is appropriate to determine
4 whether there's a market?

5 MR. SEIVER: Objection, Your Honor.

6 MR. LANGLEY: Your Honor, that is
7 completely proper.

8 JUDGE SIPPEL: I'm going to overrule the
9 objection. It's cross-examination. It's a little bit
10 testy, but see what you can do with it, Ms. Kravtin.

11 THE WITNESS: Well, I don't believe it is
12 one magic number. Again, I'm speaking as an economist
13 who has had some experience in asset valuations, not
14 again, as you said, as a valuation expert, but I know
15 it will depend on the circumstances and the market
16 conditions and in terms of whether one believes that
17 the market is operating in a manner consistent with a
18 fair market value.

19 BY MR. LANGLEY:

20 Q A market can consist of just one buyer and
21 one seller, can't it?

22 A I think any combinations of buyers and

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS
1323 RHODE ISLAND AVE., N.W.
WASHINGTON, D.C. 20005-3701